

E. # 241

Proceedings of the Privy Council
 Re: Signing of the Protocol between JAPAN and MANCHUKUO

Meeting opened at 10:10 a.m. September 13 (Tuesday), 1932.
 In the presence of His Majesty the EMPEROR.

Persons present:

Chairman KURATOMI
 Vice-Chairman HIRANUMA

Ministers:

Premier	SAITO	No. 4
Finance Minister	TAKAHASHI	No. 5
Home Minister	YAMAMOTO	No. 6
Foreign Minister	UCHIDA	No. 7
Railway Minister	MITSUCHI	No. 8
War Minister	ARAKI	No. 9
Education Minister	KATOYAMA	No. 10
Navy Minister	OKADA	No. 11
Justice Minister	KOYAMA	No. 12
Communications Minister	MINAMI	No. 13
Commerce & Industry Minister	NARAJIMA	No. 14
Agriculture & Forestry Minister	GOTO	No. 15
Overseas Affairs Minister	NAGAI	No. 16

Councillors:

Councillor	KUBOTA	No. 20
"	TOMII	No. 21
"	ISHIGURO	No. 22
"	KURODA	No. 23
"	FURUICHI	No. 24
"	SAKURAI	No. 25
"	ARAI	No. 26
"	KAWAI	No. 27
"	KAMADA	No. 29
"	SUZUKI (Kantaro)	No. 30
"	ISHII	No. 31
"	MIZUMACHI	No. 32
"	OKADA	No. 33
"	ARIMA	No. 34
"	HARA	No. 35
"	KUBOTA	No. 36
"	KURINO	No. 37
"	MOTODA	No. 38
"	SUZUKI (Soroku)	No. 39

Persons absent:

Princes of the Blood:

Prince YASUHITO	No. 1
Prince NOBUHITO	No. 2
Prince KOTOHITO	No. 3

Councillors:

Councillor ITO	No. 18
Councillor KANEKO	No. 19
Councillor ISHIWATA	No. 28

Committee Members:

Director of the Bureau of Legislation	HORIKIRI
Councillor - " -	KANAMORI
Vice-Foreign Minister	ARITA
Director of the Bureau of Treaty, Foreign Minister	MATSUDA
Director of the Bureau of Asia, - " -	TANI
Secretary of Foreign Office	YANAI
- " -	MORISHIMA
- " -	HARIMA
- " -	TERAJIMA
Vice Minister of War	YANAGAWA
Director of the Bureau of Military Affairs, War Minis.	YAMAOKA

Reporter:

Chairman of the Judging Committee	HIKANUMA
Chief-Secretary:	
Chief Secretary	FUTAKAMI
Secretaries:	
Secretary	HONJIE
"	MUTOH

Chairman (KURATOMI): Meeting is called to order. The subject for discussion today is "Re: Signing of the Protocol between JAPAN and MANCHUKUO." Please note that, because today's meeting has suddenly been called at the request of the Cabinet, the usual procedural steps such as convening, etc., were dispensed with. First of all, we open the 1st reading. Omitting the oral reading, I request the report of the chairman of the Judging Committee.

Reporter (HIKANUMA): Regarding the signing of the Protocol between JAPAN and MANCHUKUO, which had been referred to this council by His Majesty the Emperor for deliberation, we, who were appointed members of the Judging Committee, called a Committee meeting on the 11th of this month and instituted a close investigation into the matter, after having listened to the explanations given by Ministers and the officials concerned.

When the old North-Eastern Regime was destroyed with the outbreak of the Manchurian Incident in September of last year, influential persons in various districts of MANCHURIA and MONGOLIA assembled and consulted with each other. As the result, they declared on March 1, this year, the establishment of MANCHUKUO, whereby they broke off relations with the Republic of CHINA and established MANCHUKUO. They further made public the principles of the foundation of the new country, making clear to the world a very fair and proper political programme. Further, the Manchukuo Government gave notifications to our Imperial Government as well as other governments, with the request that formal diplomatic relations be established between MANCHUKUO and these countries. Our Imperial Government firmly believed that, in view of the aforesaid process of the establishment of MANCHUKUO and her sincere attitude at home and abroad, it would be advisable to recognize that country without delay and foster her development not only to maintain the stability of MANCHURIA and MONGOLIA, but also to promote permanent peace in the Far East. Nevertheless, our Government, in order to use prudence and caution, watched for half a year since then the developments in MANCHUKUO as well as the attitudes of the League of Nations and other countries. However, MANCHUKUO has since then shown a steady progress and already realized actual independence, which promises for her a very bright future. Besides, indications are that our country's recognition of that country, although it will, as may be easily imagined, cause for a time no small shock to the world, will not bring about any international crisis. Under the circumstances, our country considered it advisable at this juncture to give MANCHUKUO our formal recognition and open friendly relations with her. As the result of negotiations carried for some time between the representatives of the two countries, an agreement of opinion has been arrived at. Accordingly, with a view to regulating the basis of diplomatic relations between the two countries and also maintaining and extending the rights and interests of our country with the object of co-existence and co-prosperity, our country intends to take measures for recognizing MANCHUKUO by concluding an arrangement through this Protocol and the Notes exchanged between the two countries.

The outlines of this Protocol and Notes exchanged are as follows:

1. Protocol

This protocol consists of a preamble and a text. In the preamble, our country approves the fact that MANCHUKUO was freely formed by the will of her people and became an independent state. MANCHUKUO, on the other hand, declared that she will respect the international agreements concluded by the Republic of CHINA so far as the same are applicable to MANCHUKUO. Thereupon the two countries announce that they enter into this Protocol in order to permanently strengthen their good neighborly relations, mutually respect each other's territorial integrity, and secure peace in the Far East. The text contains two clauses:

The first clause provides that, unless special arrangements are made between JAPAN and MANCHUKUO in the future, all rights which JAPAN and her subjects possessed heretofore in MANCHUKUO territory under various Sino-Japanese arrangements and public and private contracts shall be confirmed and respected by MANCHUKUO.

The second clause provides that both JAPAN and MANCHUKUO shall consider every menace against the territory and peace and order of one party as a menace against the tranquility and existence of the other party, that they pledge to jointly defend themselves, and that, Japanese troops necessary for this purpose shall be stationed in MANCHUKUO.

This protocol shall come into force on the date of its signature (Refer to the closing sentence.) by the representatives of the two countries. That is, Imperial sanction must be obtained before signing, instead of resorting to ratification procedure.

2. Notes exchanged /between the two countries/.

The notes exchanged comprise four in all, consisting of a note exchanged in the past between the Commander of the KWANTUNG Army of JAPAN and the Regent of MANCHUKUO and three arrangements concluded between the Commander of the KWANTUNG Army of JAPAN and the Prime Minister of MANCHUKUO. The MANCHUKUO Government confirms these notes at this time and positively declares that these notes shall continue to remain effective. That is, these notes shall be deemed as international agreements and shall have legal validity, in addition to the virtual effectiveness they hitherto possessed, to be retroactively effective from the days on which they were exchanged or concluded and that these arrangements shall be made strictly confidential by mutual understanding between both JAPAN and MANCHUKUO.

The outlines of the said four documents and for arrangements are as follows:

(1) A letter addressed to HONJO, Commander of the KWANTUNG Army, from the Regent of MANCHUKUO under date of March 10, 1932 and a letter in reply addressed to the Regent of MANCHUKUO from the Said Commander.

In the letter addressed to the Commander of the KWANTUNG Army from the Regent of MANCHUKUO, it is stated that the Regent of MANCHUKUO deeply appreciated the efforts made by our country since the outbreak of the MANCHURIAN Incident in maintaining peace and order in the whole territories of MANCHURIA and MONGOLIA and also the serious damages sustained thereby by our Imperial Army as well as our people, and asked for the consent of our country to the undermentioned items inasmuch as MANCHUKUO is convinced that her development cannot be expected without the support and guidance of our country. In the letter in reply thereto, viz., the letter addressed to the Regent of MANCHUKUO from the Commander of the KWANTUNG Army, it is mentioned that there is no objection on our side to the proposal in question.

A. MANCHUKUO shall entrust to our country her national defense and maintenance of peace and order and shall bear all the necessary expenses therefor (Clause I)

- B. MANCHUKUO agrees that the control of the existing railways, harbours, waterways, air routes, etc., as well as the construction of new routes so far as the same are required by our Imperial army for the purpose of national defense shall be wholly entrusted to our country or such organizations as our country may designate (Clause II)
- C. MANCHUKUO shall give every possible assistance in connection with various establishments deemed necessary by our Imperial Army. (Clause III)
- D. Japanese with long-sighted views and high reputation shall be appointed state councillors of MANCHUKUO and, besides them, Japanese shall be appointed officials of central as well as local government offices. The selection of such officials shall be made on the recommendation of the commander of the KWANTUNG Army and their dismissals shall be subject to the consent of the said Commander. The increase or the decrease of the total number of state councillors shall, in case our side has a proposal to make, be decided through consultations between the two countries (Clause IV)
- E. The purport as well as the provisions of the afore-mentioned clauses shall be the basis of treaties to be concluded in future between the two countries. (Clause V)

(II) The convention and supplementary agreement on the control of MANCHUKUO Government railways, harbours, waterways, air-routes, etc., as well as the construction and control of railway tracks, concluded between Commander HOIJO of the KWANTUNG Army and MANCHUKUO Prime Minister CHENG under date of August 7, 1932.

- A. MANCHUKUO shall entrust the Commander of the KWANTUNG Army with the following matters, particulars thereof to be agreed upon separately: The control of ten railway lines, such as "SIN-TAO" Line, "KI-CHANG" Line, "KI-TUNG" Line, etc., national railways necessary for the national defense which are to be newly constructed in future, three harbours including that of HULUTAO, waterways on eight rivers, including the SUNGARI River, and AMUR River, and air-routes, the construction and the control of ten newly constructed specific railway lines, other national railways and waterways. (Article I)
- B. The Commander of the KWANTUNG Army shall control the railways, harbours, waterways, and air-routes in accordance with the provisions of law and of this agreement. (Article II)
- C. MANCHUKUO shall obtain the prior understanding of the Commander of the KWANTUNG Army in regard to the enactment, alternation and abolition of important laws concerning transportation. (Article III)

- D. The Commander of the KWANTUNG Army shall entrust the South Manchuria Railway Company with the management and construction of railways, harbours, and waterways which have been placed under his control. (Article IV)
The funds needed for their construction and improvement and other fixed funds shall be raised by the said company. (Article V)
A loan contract for the total amount of loans, consisting of the afore-mentioned funds, the railway loans, against the railways possessed by the said company in MANCHUKUO, and the total amount of claims based upon construction work contracts, secured by all properties attached to the railways, harbours, and waterways, shall be concluded between the said company and the MANCHUKUO Government. (Article VI)
- E. The balance remaining after deducting the amount for the payment of principal and interest on the loans from the profit that may be realized from the control of the railways, harbours and waterways shall be appropriated for the defrayment of part of the expenses incurred for national defense and maintenance of peace and order by the Imperial Japanese Army. In case a further surplus remains, this shall be acquired by the MANCHUKUO Government and the South Manchurian Railway Company. (Article VII)
- F. MANCHUKUO shall obtain the prior understanding of the Commander of the KWANTUNG Army in case she intends to grant license for the construction of railways other than those under the control of the Commander of the KWANTUNG Army.
- G. MANCHUKUO shall have a specially established organ to manage all aviation enterprises under the assistance of Commander of the KWANTUNG Army and entrust the Commander of the KWANTUNG Army with their control. The particulars in this connection shall be agreed upon separately. (Article IX)
- H. MANCHUKUO shall carry into effect the construction and improvement of the main roads, after obtaining the understanding thereto of the Commander of the KWANTUNG Army. (Article X)
- I. MANCHUKUO shall employ military advisers designated by the Commander of the KWANTUNG Army and consult them with regard to important transportation facilities necessary for national defense. (Art. XI)

As a supplement to this convention, it has been provided that the contract, relative to new construction and management of railways and loans against them, concluded between the President of the South Manchuria Railway Company and the Governor of KIRIN Province under date of November 1, 1931 and also the contract, relative to loans against and management of "SSU-TAO" railway, concluded between the said President and the Director of the "SSU-TAO" railway Bureau under date of December 1, of the same year, both of which will become useless as the result of the enforcement of this convention, shall become null and void.

By an accessory agreement entered into between both parties of this agreement, it has been provided that the MANCHUKUO Government shall separately conclude a contract with the South Manchuria Railway Company on the trusteeship management of railways, harbours, waterways, etc., and the construction of railway lines.

(III) Agreement relative to the establishment of an air-way company, concluded between the Commander of the KWANTUNG Army and Prime Minister CHENG under date of August 7, 1933.

- A. Both parties, by mutual agreement, shall establish an air-way company for the transportation of passengers, cargoes and mails as well as the management of accessory enterprises. (Clause I) This company shall be a joint JAPAN-MANCHUKUO concern chartered under MANCHUKUO laws, and capitalized at 3,500,000 Yen, which amount may be increased by mutual consultation in case it becomes necessary in order to cope with the expansion of the enterprise in future. (Clause II)
- B. MANCHUKUO shall appraise the value of specially designated aerodromes and mid-way landing air-fields, and other facilities at 1,000,000 Yen and invest this amount in the air-way company, for which she shall receive shares corresponding to the amount of investment after the company has been established. These shares shall not be transferrable. (Clause III) The rest of the capital shall be met by 1,500,000 Yen to be invested by the South Manchuria Railway Company and 1,000,000 Yen by Sumitomo Goshi Kaisha. (Art. IV)
- C. MANCHUKUO shall lend free of charge the land the buildings of the former MUKDEN air-plane repair factory and of the Army Engineering School to the Commander of the KWANTUNG Army, who in turn shall lend them, together with the confiscated machineries attached to the said factory and school, to the air-way company. (Art. V)
- D. MANCHUKUO shall not permit other persons to manage any aviation enterprise in MANCHUKUO without obtaining the consent of the Commander of the KWANTUNG Army. (Article VI)
- E. MANCHUKUO shall grant annually to the air-way company a specially fixed amount of subsidy. The amount of this subsidy shall be subject to alteration by the mutual consultations of both parties, according to the business conditions of the said company.
- F. MANCHUKUO shall entrust the Commander of the KWANTUNG Army with the inspection of all air-planes and examination of their crews.
- G. With regard to the provisional law for the establishment of the air-way company, detailed rules shall be discussed and decided by JAPAN and MANCHUKUO within a month after this agreement is concluded. (Clause IX)

- H. MANCHUKUO agrees to permit the air-way company to instal necessary aviation facilities, such as exclusive communications and wireless beacons, etc. at its own expense and to use the facilities exclusively. (Clause X)
- I. As to the transport of mail matter, this shall be agreed upon separately. (Clause XI)
- J. MANCHUKUO shall exempt the payment of all taxes on the various facilities attached to the air-way company and on its business as well as the import duties on the articles needed for the use of the company. (Clause XII)

(IV) Agreement relative to the establishment of mining rights necessary for national defense, concluded between Commander MUTO of the KWANTUNG Army and Prime Minister CHENG under date of September 9, 1932.

- A. MANCHUKUO agrees to respect all mining rights /"KOGYOKEN"/ within her territories which had been already acquired by Japanese and also to revise the existing arrangements or agreements, in order to meet the requirements of national defense. Among the said mining rights /"KOGYOKEN"/, the exploiting rights /"SAIKUTSUKEN"/ shall remain valid for an indefinite period of time. (Article I)
- B. MANCHUKUO shall grant to JAPAN-MANCHUKUO corporation, to be designated by mutual consultation between the two countries, the mining rights with the exception of vested rights, of 38 specially indicated mines of coal, oil, light metal ores, iron ore, oil-shades, lead ore and nickel ore.
- C. In respect to also mines containing special minerals other than those enumerated above, MANCHUKUO shall grant mining rights thereof only to a joint JAPAN-MANCHUKUO corporation of either one or both nationality. (Article III)
- D. MANCHUKUO shall confer beforehand with our country in respect to the establishment and release of blockaded zones of the minerals necessary for national defense. (Article IV)
- E. The mining rights stipulated in this agreement shall be governed by the existing provisional law /"BEMPO"/, with the exception of the clauses on the qualifications for acquiring mining rights and the limitation of capital holdings, until such time as a new mining law is enforced in MANCHUKUO. In enacting or revising the mining law relative to minerals necessary for national defense, MANCHUKUO shall obtain beforehand the consent of our country. (Article V)

Of the above-mentioned various documents, the Protocol and the Second, Third, and the Fourth out of the Notes exchanged, that is, the Agreements concluded between the Commander of the KWANTUNG Army and the Prime Minister /of MANCHUKUO/ shall be written in both Japanese and in Chinese. In the event that any doubts occur as to the interpretation thereof, the decision shall be made according to the Japanese text. (Refer to the closing sentence of the Protocol, and others.)

Now that MANCHUKUO has become independent by the will of her people and has already completed the substance of a new state, we consider it a matter of course for our country to recognize that country in order to establish permanent peace in the Far East. And in view of the fact that the objectives of the arrangements under consideration are to recognize the independence of MANCHUKUO, to regulate the foundation of the relations between JAPAN and MANCHUKUO, and at the same time to secure and extend our proper rights and interests, these arrangements may be considered as very opportune measures. However, since in connection with the enforcement of these arrangements there will arise many problems important to our country, our authorities concerned must endeavor to cope with the situation properly, taking every possible precaution in regard to various matters. Especially, as it will greatly affect the finance of our country in the future, we cannot but wish ardently that an appropriate financial programme would be immediately adopted so as to have it enforced properly. Under the circumstances, it has been unanimously agreed upon by the Judging Committee that this bill be passed without modification, together with the above-mentioned wishes.

The foregoing is the report on our findings.

No. 33 Councillor (OKADA) I am in favor of this bill and have no objection at all, but I consider that the Manchurian question cannot be settled merely by our recognition of MANCHUKUO, I should think that difficult problems rather lie in future. I therefore take this opportunity to ask for the views of the authorities concerned on one or two points.

I consider that at this juncture the utmost consideration should be given to international relations. The explanations given to the Diet by the Ministers concerned in regard to the so-called Anti-War Pact was quite to the point, but I think that the existence of the Nine-Power Pact is a source of evil. Although the Foreign Minister explained in the Diet that our recognition of MANCHUKUO would not contravene the Nine-Power Pact, the UNITED STATES and others will not be satisfied with such explanations. Further, the Foreign Minister stated that MANCHUKUO had become independent by the free will of her people and that JAPAN had not agreed by the Nine-Power Pact to prevent the independence of the Chinese People. For example, he said, supposing that CAMBODIA became independent, the countries signatory to the said Pact are not under obligation to prevent this independence. However, the Americans might say that it would be all right if MANCHUKUO had become independent by the free will of her own people, but that it is a violation of the said Pact and a disregard of CHINA's sovereignty for JAPAN to assist and maintain this independence.

The Foreign Minister's explanations on this point is inadequate. What explanation is the Foreign Minister prepared to give in reply to this? Besides, a comparison of the secret agreements in this bill with the Nine-Power Pact shows that there are not a small number of points of doubt in respect to the conflict between the two. I wish to ask how will the Foreign Minister explain this. Moreover, is it possible after all to keep the agreements strictly confidential? It may be possible for JAPAN, but it is hardly possible for MANCHUKUO to do it. I consider it advisable to assume that secrecy cannot be kept. In the event that the secrets are divulged, CHINA will not remain silent and she will demand the convocation of a conference of the countries signatory to the Nine-Power Pact. If, as a result of such a conference, JAPAN's movements be decided to be

a violation of the said Pact, I consider JAPAN would be placed in a very difficult position. Therefore, the authorities concerned should be fully prepared for such a contingency. Nay, such preparedness alone is unsatisfactory. Preparations should be made beforehand to prevent such clash. In this connection I would like to ask the Foreign Minister what preparation he has made to cope with this matter.

No. 7 (UCHIDA) Before answering Councillor OKADA's questions, I wish to say that we will do our utmost to meet the wishes of the Judging Committee, giving careful consideration to the advice and wishes given in the report of the Judging Committee. As to the Nine-Power Pact, the first question of Councillor OKADA, I think I have fully explained our attitude. The action of the Japanese Army to cope with the incident which occurred on Sept. 18 of last year was nothing but the exercise of our right of self-defense. It is true, however, that this action was availed of by the thirty million people of MANCHUKUO for creating a new state, but it is not in the least improper to recognize that the creation of the new state was entirely based on the free will of the people of MANCHUKUO. The Nine-Power Pact provides that the Chinese territorial integrity shall be respected, but it makes no provision at all for a case where a part of CHINA becomes independent as the result of CHINA's own disintegration. Of course, in this respect, various views are held in the UNITED STATES and other countries, but these are their own views. For our part, we should go ahead with the view given above. Of late, the motive and process of the creation of this new state have come to be generally understood and the feelings of the Powers also have been eased to no small degree. In fact, when Ambassador DEBUCHI recently approached the American Government authorities and informally asked if they would protest in case JAPAN should recognize MANCHUKUO, they replied that they had not the slightest intention of making a protest or convoking a Nine-Power conference, inasmuch as there was no hope of such a conference reaching any conclusion. Besides, the convocation of Nine-Power conference will be opposed by some of the European countries.

As to the second question, namely, whether or not there is doubt that the contents of the strictly secret treaty are incompatible with the Nine-Power Pact, I am confident that there is no conflict between the two, as I have just stated. The powers are concerned with the open-door principle, principle of equal opportunity, etc., but we do not see any conflict between the documents of this bill and these principles. I see no objection to the fact that JAPAN has been entrusted by MANCHUKUO with such matters as that country can do herself. As to the question what will be done in the event that the secret arrangements between JAPAN and MANCHUKUO are divulged, I do not believe it would leak out from our side and therefore, MANCHUKUO is being cautioned to take special care to prevent leakage on her side. Even if by any chance it should leak out, I firmly believe that there is nothing to be ashamed of.

No. 33. (OKADA) I now understand the situation from the explanation given just now by the Foreign Minister, but my sole anxiety is whether or not the Powers will be satisfied with such explanations. Inasmuch as I am inclined to think that there will be some nations that will surely oppose the conclusion of this treaty. I wish that sufficient study and preparations would be made beforehand.

No. 22. (ISHIGURO) I feel not a little relieved by the explanations given by the Foreign Minister, but the 2nd Note exchanged, that is, the letter addressed to the Commander of our army from Premier CHENG contains the following sentence: "This country shall entrust the national defense and maintenance of public peace in future to your country, all necessary expenditure for which shall be borne by our country." Is there any time limit to this? And is the military expenditure being borne by MANCHUKUO at present also?

No. 9. (ARAKI) At present, no budget for this has been provided by MANCHUKUO, but according to the program of our War Ministry authorities, MANCHUKUO will be able to defray some part of the expenditure after 1933 if her internal conditions become stabilized, since she has reliable income from railways. After a lapse of about five years, I think MANCHUKUO will be able to defray the necessary expenditure.

No. 22. (ISHIGURO) Is it impossible to obtain payment for the expenses before the lapse of five years?

No. 9. (ARAKI) The national defense of MANCHUKUO is at the same time the national defense of our country. Consequently I consider it not fair and reasonable to make MANCHUKUO alone bear the whole amount of expenses necessary for national defense. It will be possible, I think, for MANCHUKUO to pay annually 9,000,000 Yen from the year 1933, and 40,000,000 or 50,000,000 Yen after five years.

No. 22 (ISHIGURO) Do you mean to say that 9,000,000 Yen can be paid in the coming year?

No. 9. (ARAKI) Although it is only a plan, I believe that an annual amount of 9,000,000 Yen can be paid by that country, provided that the country is stabilized.

No. 23 (KURODA) It is a matter for congratulation that our empire has now concluded an offensive and defensive alliance with MANCHUKUO. Judging from the explanations and answers given just now by the Foreign Minister, our future relations with other countries will become more and more eventful. I therefore hope the authorities would give careful consideration to the maintenance of amicable and harmonious diplomatic relations with the Powers. The defrayment of expenses, of course, should be cautiously handled, but inasmuch as /the national defense of MANCHUKUO/ is also the national defense of our country, it is hoped that the Army and Navy would give due consideration to the matter. Inasmuch as the present action of JAPAN is to exalt the fundamental spirit of our empire, I anxiously desire that the whole people, united as one, would do their utmost to settle the MANCHURIAN question.

No. 31. (ISHII) I wish to express my heartiest endorsement of the signing of the Protocol between JAPAN and MANCHUKUO. On looking back, the past one year has been really a year of so-called extraordinary emergency in which our country trod a very critical path. However, thanks to the proper measures taken by the present cabinet since its formation, we have now arrived at the stage of concluding a JAPAN-MANCHUKUO Alliance treaty, whereby MANCHUKUO has been recognized. This is a matter for congratulations to our country.

JAPAN vs. the MANCHURIAN question and JAPAN vs. the international problem were the two problems over which I had deeply worried, because my doubts had not been dispelled throughout the previous Cabinet and the one before it. JAPAN possessed from the outset special rights and interests in MANCHURIA. Therefore, our position was a special one. Since last year, while we were repelling CHINA's infringement of those rights and interests, we inadvertently perceived an intention on the part of the Manchus and Mongols of gaining independence and gave them facilities for realizing their aspiration. This was only proper for us to do. However, what I feared was that MANCHURIA and MONGOLIA, after they became independent, would later on come to lack mutual understandings. Such men as WU-CHEN and YUAN, who threatened against JAPAN in the past, were Mongols. Even if the Mongols respect JAPAN as a leader today, who knows that they will not in the future change their attitude and ignore our rights and interests, becoming a second CHANG HSUN-CHANG? In Europe there is a nation which met with an unexpected calamity owing to its failure to make necessary preparations in international negotiations. I called the attention of our authorities by citing the case of RUMANIA. However, I now observe that our vested rights have been fully secured, according to the Notes exchanged. This has dispelled my doubts, and I feel exceedingly glad. Secondly, I felt very uneasy about JAPAN's contention in regard to the connection between the Manchurian problem and the League of Nations. The main point of our contention was that JAPAN cannot agree to the disposition of the Sino-Japanese dispute over MANCHURIA by the council of the League of Nations under Article XV of the League's Covenant. It was my fear that, inasmuch as some countries among the members of the League had laid before the League, prior to resorting to war, disputes arising inside their own territories and had received deliveration under Article XV, JAPAN's contention could not be carried through after all. I considered that, should the dispute over MANCHURIA, which is not Japanese territory, be disposed of according to article XV, Japan's contention would be rejected by the world's public opinion as well as the International Court of Justice. However, when MANCHUKUO is recognized by JAPAN and becomes an independent state and also JAPAN-MANCHUKUO Alliance is concluded, according to the proposal now under consultation, the point most disadvantageous to JAPAN will be thereby almost removed. This, I think, will be the most desirable result of our formal recognition of MANCHUKUO and the conclusion of a JAPAN-MANCHUKUO Alliance.

It was almost an established view of a large number of the people of the UNITED STATES and other countries that our action in MANCHUKUO violated the Anti-war Pact and the Nine-Power Pact. However, now that JAPAN has formally recognized MANCHUKUO and entered into an alliance with her, JAPAN will be able in future to assert that the independence of MANCHUKUO was due to the disintegration of CHINA and that the territorial integrity of the Republic of CHINA was broken by none other than MANCHUKUO. This will nullify the argument that JAPAN violated the Nine-Power Pact. Now that JAPAN has concluded an alliance with new MANCHUKUO for joint national defense, I believe there will be no room for opposing the stationing of Japanese troops in MANCHURIA, thus making the League's past resolution a dead letter.

No, supposing that the LYTTON'S Inquiry Commission recognized CHINA's sovereignty over MANCHURIA and recommended that CHINA allow autonomy to MANCHUKUO, and supposing that the League adopted this recommendation, JAPAN need not comment on it. It is for MANCHUKUO herself to assert that an

independent state should not be placed under the sovereignty of any other country. In regard to the connection between JAPAN and AMERICA and also other countries, MANCHUKUO herself will bear the brunt of the attack, or back up JAPAN to ease JAPAN's position. At any rate, in consequence of the independence of MANCHUKUO, it has become unnecessary for the League of Nations to deliberate on the Manchurian question under Article XV of the League's covenant. It was rather strange that the Manchurian and Mongolian races had started no independence movement up to now. It was a matter of course that MANCHUKUO has become independent as soon as the old regime under CHANG HSUEH-LIANG collapsed. After all, MANCHURIA became a part of CHINA, when it was brought as a dowry by AYCHIN CHAOKHO, who subjugated CHINA proper. Lord LYTTON's party also must have studied the history of MANCHURIA and MONGOLIA and it will not be difficult to make them understand the creation of MANCHUKUO as well as the problem of racial self-determination. Consequently, I believe that through the independence of MANCHUKUO, Japan's position has been improved considerably in respect to her foreign relations.

In short, the present JAPAN-MANCHUKUO Treaty will prove effective in fully maintaining and expanding our special rights in MANCHURIA and MONGOLIA on the one hand and in elevating, on the other hand, JAPAN from a position of predicament full of troubles at home and abroad to a triumphant one. Here I feel that there is a bright future for the Manchurian and Mongolian problem. With this in view, I heartily endorse the exchange of Notes relative to the JAPAN-MANCHUKUO Alliance. However, as has just been stated by the chairman of the Judging Committee and Councillor OKADA, many difficulties still lie ahead and I, therefore, hope the matter would be carried to perfection by the authorities with further cautious reparations.

Chairman (KURATOMI): Before putting the bill to a vote, I should like to call your attention, for cautious sake, to the fact that, although the bill discussed today is termed "Matter on the Signing of JAPAN-MANCHUKUO Protocol," its contents are composed of the Protocol and the Notes exchanged. As there are no further speakers, I shall immediately take a vote on the matter, omitting the Second Reading, etc. The ayes are requested to stand up.

(All rise up.)

Chairman (KURATOMI): The bill has been passed unanimously. Today's meeting is adjourned.

His Majesty the Emperor withdrew to the inner palace.

(The meeting adjourned at 11:45 a.m.)

Chairman, Baron KURATOMI, Yuzaburo.
Chief Secretary MUTAKAMI, Eyoji.
Secretary HORIE, Suet.
" MUTOH, Morio.